

# consumer news

DEPARTMENT OF HEALTH, EDUCATION & WELFARE Office of Consumer Affairs Virginia H. Knauer, Director

Vol. 4, No. 8, July 15, 1974

#### Fuel economy data

When new 1975 car models are released in the fall, they will be labeled with miles-per-gallon information that is different from the data shown on last year's cars. Environmental Protection Agency (EPA) has revised the labeling requirements to make fuel economy data more useful for consumers.

This year, data will be given on the basis of engine sizes, rather than by weight classes as it was last year. EPA made the change when it became clear that consumers are used to buying cars by model name & engine size, not by weight class. Manufacturers have the choice of labeling each 1975 car in either of 2 ways:

- · Giving only the EPA miles-per-gallon rating for that car & its particular engine size;
- Giving the EPA ratings for all engine sizes of that model with a circle around the engine size of the particular car bearing the label.

When EPA issues its mileage guide in the fall, CONSUMERS NEWS will reprint ratings for most cars.

#### Consumer officials meet & organize

When more than 350 state & local government consumer protection officials met last month at a national conference sponsored by Office of Consumer Affairs (OCA), the constant thread running through discussions was how to cope with consumer complaints. A few of the significant points brought out in speeches, reports & workshops:

- Justice Dept.'s Antitrust Division will be able to file "non-policy" suits without the personal approval of the Attorney General, thus permitting Federal prosecutors to move more swiftly against violators of anti-trust laws.
  - American consumers lose an estimated \$40 billion every year because of consumer fraud.
- Only a small proportion of consumers' car repair problems results from fraud. Other factors: incompetence of mechanics; lack of proper equipment; problems in car design, warranty policies & availability of replacement parts; consumer ignorance in handling complaints.

A highlight of the conference was establishment of a national organization for government consumer protection officials. After electing a 9-person implementation committee, the group announced that it will have a national meeting in the future. The new National Association of Consumer Protection Administrators is open to administrators of all state, county & local consumer protection agencies. Anyone with questions or suggestions may contact the association's coordinator, James D. Gordon, Office of County Prosecutors, Lake County Court House, Painesville, OH 44077.

### New Federal publications

These new books are available from Consumer Product Information, Pueblo, CO 81009; make check or money order payable to Superintendent of Documents.

Directory of State, County & City Government Consumer Offices (updated; gives addresses & phones for 223 consumer protection agencies in 50 states); published by Office of Consumer Affairs; #222B; \$1.10.

Brand Name Listing (lists more than 700 consumer products bought during 1973 for use by Federal Government); published by Government Services Agency; #204B; 65¢.

# FTC roundup

Federal Trade Commission (FTC) has initiated several recent actions that may result in new standards or regulations to protect consumers against certain advertising & pricing practices which the commission considers deceptive, as well as other industry practices which the commission considers "unfair."

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#### **Advertising & Pricing**

As part of its program against certain deceptive advertising & pricing practices, FTC has begun investigations into 2 major industries: retail drug industry & supermarket industry.

• FTC is investigating the retail drug industry to determine whether it is legal for retail druggists not to disclose price information about prescription drugs. According to a recent report issued by FTC's Prescription Drug Task Force, laws in 25 states & pharmacy board restrictions in 16 others prohibit advertising or in-store posting of prescription drug prices. Estimating that consumers could save as much as \$1 billion a year if they could conveniently compare drug prices, the report urged the commission to issue a trade regulation rule that, in effect, would void state laws restricting drug price posting & advertising.

• FTC's major investigation into retail food prices focuses on the relationship between the wholesale food market & retail food prices. The new probe is part of a broad study by FTC of competition in all levels of the food industry. The first phase of the investigation will be limited to 6 cities—Atlanta, Denver, Detroit, Jersey City, Little Rock & Washington.

• As part of its program to protect consumers from misleading advertising claims, FTC is working with Food & Drug Administration (FDA) on ads for non-prescription drugs. FDA is conducting a review of the effectiveness of non-prescription drugs [Consumer News: Feb. 1; Oct. 15, 1973]. If FDA finds cases where the advertising claims are inaccurate, FTC will begin investigations, which could result in ordering some companies to provide corrective advertising.



#### **Unfair Practices**

As result of a Supreme Court decision that ruled FTC has power to protect consumers from unfair business practices [Consumer News: Aug. 15, 1973; March 1, 1973; Jan. 1, 1972], the commission is looking into several industry practices that may be unfair to special consumer groups.

• To protect children from being enticed to breakfast cereals & other products through advertising give-away offers (premiums), FTC has issued a proposed guide for the advertising business that would ban advertising of premiums on television. Published July 11 in Federal Register, the guide would cover TV ads directed at children 12 years & under, & it would ban promotion of prizes, toys & contests "unrelated to the merits of the product . . . being promoted."

• FTC is developing proposed guidelines for the funeral industry to resolve the special problems of a particular group of consumers: the bereaved. Since March, when the commission published the findings of a survey of funeral home practices in the Washington, DC, area [Consumer News: March 15], it has met with the National Funeral Directors Association & National Selected Morticians to point out practices considered unfair & has consulted with local government agencies & consumer groups that are studying funeral practices in other areas.

• To protect the elderly & those with impaired hearing, FTC has announced an industry investigation of the hearing aid industry to determine whether manufacturers, distributors & retailers are falsely advertising their products or using unfair practices in marketing them.

• FTC has also undertaken an investigation of condominiums to determine whether companies are engaging in unfair practices such as requiring owners to rent swimming pools & other recreational facilities at excessive sums.



#### In further FTC action:

• The New York regional office is holding public hearings this month to determine whether some members of swimming pool industry are engaging in deceptive advertising & sales practices.

• The commission has adopted a new "openness" policy to offer more information to consumers. Commission now: (1) announces industry investigations as soon as approved by commission; (2) makes information available when an investigation is closed; & (3) has extended public comment period on consent orders from 30 to 60 days.

# Warnings!

CONTRACEPTIVES—Food & Drug Administration (FDA) announces that the Dalkon Shield Intrauterine contraceptive device (IUD) is being suspended from distribution & sale by the manufacturer, A. H. Robins Co., until FDA decides whether the device is as safe as other IUD products. A. H. Robins has notified doctors that women may face possible complications if they become pregnant while wearing Dalkon Shields. The possibility is that uterine infection may result, causing spontaneous abortion (miscarriage).

FDA figures show approximately 110 such abortions, including 7 fatalities, among Dalkon Shield wearers. Most cases occurred during the fourth, fifth & sixth months of pregnancy. Should a pregnancy occur, Robins recommends that the device should be removed or that therapeutic abortion should be considered if removal is not feasible. FDA's final decision about the device's safety will be based on recommendations of a committee of obstetricians & gynecologists that will review data & hold open hearings in Washington, DC on Aug. 21. Included in the committee's considerations will be a study on IUDs just released by Center for Disease Control (CDC) at Health, Education & Welfare Dept., as well as data doctors are being asked to submit on adverse reactions to all IUDs. Meanwhile, FDA is notifying doctors not to insert new Dalkon Shields. FDA states that non-pregnant women wearing Dalkon Shields have no cause for alarm. Women wearing the device who think they may be pregnant should see their doctors immediately. FDA states that 2.2 million Dalkon Shields have been in use since late 1970. The agency is not now recommending that doctors remove Dalkon Shields from non-pregnant women. Approximately 6 million American women are now wearing some kind of IUD. According to the CDC study, IUDs carry no greater risk of fatality than other forms of contraception, considering the risks attendant on pregnancy,

HAIR SPRAYS—Food & Drug Administration (FDA) reports the recall of some lots & sizes of the following hair sprays because they contain vinyl chloride as a propellant, a chemical that has been linked to liver cancer.

Following is a list of brand names only. Not all lots & all sizes of the hair spray products contain vinyl chloride. However, if you use any of the products, you may wish to write to FDA for a copy of that agency's Weekly Report of Seizures, Prosecutions, Injunctions, Field Corrections, & Recalls. Include in your request the issue date of the weekly report (listed below after each brand name). The report will identify all sizes & lot numbers.

Posner Natural Hair Sheen Spray—Recall #F-104-4 issued May 15.

Grants Delux Hair Spray—Recall #F-107-4—issued may 15.

Aqua Net Professional Super Hold, Cinderella, Cinderella Super Hold, Foundation, Soft Ray, Permette, Mellow Mist, Mia Extra Hold & Grande Finale—Recall #F-114-4—issued May 29.

Set Magic-Recall #F-116-4-issued May 29.

Wellaflex Lacquer Hair Spray—Recall #F-112-4—issued May 29.

French Perm Hair Holding Spray—Recall #F-113-4—issued May 29.

Derma Dan-Recall #D-463-4-issued May 29.

Springfield Regular Hair Spray, Springfield Hard-To-Hold Hair Spray—Recall #F-119-4—issued June 5.

Diamond Sheen All Purpose Oil Spray Hair Conditioner—Recall #F-118-4—issued June 5.

Mail your request to Office of Public Affairs, Food & Drug Administration, Room 15-B-42, 5600 Fishers Lane, Rockville MD 20852.

#### Have you used it?

This coupon is for your convenience in commenting on regulations that have been proposed by Federal agencies. Why not read the items in this issue's Consumer Register right now? Fill in the form, send it to Office of Consumer Affairs, Washington, DC 20201; we will forward it.

This is my opinion on (title of item in Consumer Register)		
by (name of agency)		
published in Federal Register on (date)		on (page)
Name		
Street		
City		

#### Magnetron, not megatron

CONSUMER NEWS (July 1) incorrectly referred to the vacuum tube in a microwave oven as a "megatron." Proper name for the tube is "magnetron."

# Briefly:

- Groceries Put turkey on your shopping list pronto, says Agriculture Dept. Heavy supplies of fresh & frozen turkey make the bird a good buy for July, so watch for specials at your supermarket.
- Disaster aid Families & individuals can now receive grants from Housing & Urban Development Dept. of up to \$5,000—which need not be repaid—after natural disasters. Grants will go to persons whose homes or business properties have been damaged by floods, tornadoes or hurricanes & who cannot repair or rebuild with Federal loans provided for in the Disaster Assistance Act of 1970. The grants will be awarded by states on the basis of Federal guidelines. Local government officials will soon receive information, including procedures for applying for the grants.
- Controls On June 30, Cost of Living Council (CLC) went out of business, following the April 30 removal of wage & price controls. The controls programs began Aug. 15, 1971 [CONSUMER NEWS, Sept. 1971]. Wage-price cases still hanging fire will be handled by a skeleton staff operating as the Economic Stabilization Office.
- Auto safety During first 3 months of 1974, 15 firms were fined over \$50,000 for violations of National Motor Vehicle Safety Act of 1966, which sets minimum safety standards for vehicles. National Highway Traffic Safety Administration (NHTSA) levied most of the fines for routine minor violations, such as selling boat trailers without lights. But Mansfield Tire & Rubber Co. was fined \$27,000 for a major violation—failing to meet Federal requirements for high speed tires.

CONSUMER NEWS is published the 1st & 15th of each month by the Office of Consumer Affairs, Health, Education & Welfare Dept., to report Federal Government programs for consumers. Use of funds for printing this publication approved by the Director of the Office of Management & Budget, June 27, 1973. Authorization to reproduce any or all items is granted. Editorial address is Consumer News, Office of Consumer Affairs, Washington, DC 20201 (telephone: 202-245-6877); Ed Riner, Editor; Lee Learner Gray, Managing Editor. Sold by Superintendent of Documents, Government Printing Office, Washington, DC 20402; subscription \$4 a year, payable to "Supt. of Documents." Send address change to Supt. of Documents.

★ U.S. GOVERNMENT PRINTING OFFICE: 1975—584-705-1

DHEW PUBLICATION NO. (OS) 75-108

DEPARTMENT OF
HEALTH, EDUCATION AND WELFARE
OFFICE OF CONSUMER AFFAIRS
WASHINGTON, D.C. 20201

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300

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Consumer News: July 15

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